

# OPEN MEETING

## MEMORANDUM



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TO: THE COMMISSION

FROM: Utilities Division

DATE: April 21, 2014

RE: SOUTHWEST TRANSMISSION COOPERATIVE, INC'S APPLICATION TO  
EXTEND EXPIRATION DATE FOR CERTIFICATE OF ENVIRONMENTAL  
COMPATIBILITY GRANTED IN DOCKET NO. L-00000CC-09-0158-00142,  
CASE NO. 142, DECISION NO. 71218 (JULY 16, 2009)

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DOCKET CONTROL

ORIGINAL

### BACKGROUND

On July 16, 2009, a Certificate of Environmental Compatibility ("CEC") was approved in Decision No. 71218, which authorized Southwest Transmission Cooperative, Inc. ("SWTC") to construct a 4.5-mile 230 kV double circuit transmission line ("Project"), which will initially be energized at 115 kV, from a point on the existing SWTC Apache to Hayden 115 kV transmission line to the existing Arizona Public Service San Manuel Substation. The CEC granted a five-year time frame for construction of the Project by July 16, 2014. This Project was originally proposed to serve increased load on Trico Electric Cooperative, Inc.'s ("Trico") system in southern Pinal County. Trico receives transmission service from SWTC.

On March 21, 2014, SWTC filed a request for an extension of time to July 16, 2018, for the construction of the Project. SWTC indicates that the need for the Project has been delayed by lower than expected load growth since the CEC was granted.

### STAFF'S ANALYSIS AND RECOMMENDATION

The Utilities Division Staff ("Staff") has reviewed SWTC's request for an extension of time for the Project. Staff recognizes that the economic slowdown over the past few years has resulted in less load growth than anticipated when the CEC was granted. Staff also reviewed the SWTC Ten Year Transmission Plan filed on January 30, 2014. In that plan, SWTC notes that this project has been delayed and the timing of its need will be dependent upon load growth on the Trico system. Staff agrees that, in the absence of need, delaying construction of the Project is appropriate. Staff also agrees that this Project's construction may be warranted in the future when load growth rebounds on the Trico system and conditions dictate construction.

Arizona Corporation Commission  
DOCKETED

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THE COMMISSION

April 21, 2014

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Considering these circumstances, Staff believes that SWTC's time extension request is reasonable and, therefore, recommends approval of the requested time extension from July 16, 2014 to July 16, 2018.

A handwritten signature in black ink, consisting of several sweeping, overlapping strokes that form a stylized 'S' and 'O' shape, followed by a horizontal line.

Steven M. Olea  
Director  
Utilities Division

SMO:EFS:red/CHH

ORIGINATOR: Edward F. Stoneburg

1                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2       BOB STUMP

          Chairman

3       GARY PIERCE

          Commissioner

4       BRENDA BURNS

          Commissioner

5       BOB BURNS

          Commissioner

6       SUSAN BITTER SMITH

          Commissioner

7  
8       IN THE MATTER OF THE APPLICATION )  
          OF SOUTHWEST TRANSMISSION       )  
9       COOPERATIVE, INC., OR ITS ASSIGNEES, )  
          IN CONFORMANCE WITH THE        )  
10       REQUIREMENTS OF ARIZONA REVISED )  
11       STATUTES §§ 40-360, *et seq.*, FOR A    )  
          CERTIFICATE OF ENVIRONMENTAL     )  
12       COMPATIBILITY AUTHORIZING THE        )  
          CONSTRUCTION OF THE SAN MANUEL    )  
13       INTERCONNECT PROJECT LOCATED IN     )  
14       THE VICINITY OF SAN MANUEL IN        )  
          PINAL COUNTY, ARIZONA.

DOCKET NO. L-00000CC-09-0158-00142

CASE NO. 142

ORDER MODIFYING DECISION NO.  
71218

ORDER

15  
16       Open Meeting

          May 13 and 14, 2014

17       Phoenix, Arizona

18       **BY THE COMMISSION:**

19                   FINDINGS OF FACT

20           1.       On March 21, 2014, Southwest Transmission Cooperative, Inc. ("SWTC" or  
21       "Company") filed with the Arizona Corporation Commission ("Commission") a request  
22       ("Application") for an extension of time to construct facilities authorized by the Certificate of  
23       Environmental Compatibility ("CEC") approved in Decision No. 71218 (July 16, 2009).

24           2.       Decision No. 71218 approved a CEC granted by the Arizona Power Plant and  
25       Transmission Line Siting Committee for SWTC to build an approximately 4.5 mile 230kV double  
26       circuit transmission line that will initially be energized at 115 kV ("Project"). The transmission line  
27       will connect the existing Arizona Public Service Company San Manuel Substation to a point on the  
28       existing SWTC Apache to Hayden 115 kV transmission line.

7. Staff reviewed the Company's Application and agrees that the recessionary downturn in the economy has slowed load growth. Staff further asserts that in the absence of need, a delay in construction is appropriate until load growth dictates construction of the Project. Staff therefore recommends approving SWTC's request to extend the date to complete construction of the Project to July 16, 2018.

• • •

ORDER

IT IS THEREFORE ORDERED that Decision No. 71218 is modified to permit construction of the Project by July 16, 2018.

IT IS FURTHER ORDERED that all other conditions of the CEC, as adopted by Decision No. 71218 shall remain in effect.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

**BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

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CHAIRMANCOMMISSIONER

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COMMISSIONER

COMMISSIONER

COMMISSIONER

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IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

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JODI JERICH  
EXECUTIVE DIRECTOR

DISSENT: \_\_\_\_\_

DISSENT: \_\_\_\_\_

SMO:EFS:red/CHH

1 SERVICE LIST FOR: Southwest Transmission Cooperative, Inc.  
2 DOCKET NO. L-00000CC-09-0158-00142

3 John Foreman, Chairman  
4 Arizona Power Plant and Transmission  
5 Line Sitting Committee  
6 Office of Attorney General  
7 1275 West Washington Street  
8 Phoenix, Arizona 85007

9 Michael M. Grant  
10 Gallagher and Kennedy P.A.  
11 2575 East Camelback Road  
12 Suite 1100  
13 Phoenix, AZ 85016  
14 Counsel for Applicant, SW Transco

15 Lawrence V. Robertson, Jr.  
16 P.O. Box 1448  
17 Tubac, AZ 85646  
18 Counsel for Pinal County

19 Mr. Steven M. Olea  
20 Director, Utilities Division  
21 Arizona Corporation Commission  
22 1200 West Washington Street  
23 Phoenix, Arizona 85007

24 Ms. Janice M. Alward  
25 Chief Counsel, Legal Division  
26 Arizona Corporation Commission  
27 1200 West Washington Street  
28 Phoenix, Arizona 85007